

Senate Study Bill 1207

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY
CHAIRPERSON WARNSTADT)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act creating an interim commission on affordable health care
2 plans for small businesses and families and a health care data
3 research advisory council, and making an appropriation.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2475SC 82
6 av/gg/14

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1 1 Section 1. INTERIM COMMISSION ON AFFORDABLE HEALTH CARE
1 2 PLANS FOR SMALL BUSINESSES AND FAMILIES.
1 3 1. An interim commission on affordable health care plans
1 4 for small businesses and families is created consisting of 16
1 5 members. The legislative services agency shall provide
1 6 staffing assistance to the commission.
1 7 a. The commission shall include 10 members of the general
1 8 assembly, three appointed by the majority leader of the
1 9 senate, two appointed by the minority leader of the senate,
1 10 three appointed by the speaker of the house of
1 11 representatives, and two appointed by the minority leader of
1 12 the house of representatives.
1 13 b. The commission shall include two members representing
1 14 the interests of consumers of health care services, appointed
1 15 by the governor.
1 16 c. The commission shall also include four additional
1 17 members: two of whom represent the insurance industry, with
1 18 one member appointed by the majority leader of the senate and
1 19 one member appointed by the speaker of the house of
1 20 representatives; and two of whom represent small business
1 21 associations, with one member appointed by the majority leader
1 22 of the senate and one member appointed by the speaker of the
1 23 house of representatives.
1 24 d. The commission shall also include the following
1 25 additional members who shall serve as nonvoting, ex officio
1 26 members of the commission:
1 27 (1) The commissioner of insurance or the commissioner's
1 28 designee.
1 29 (2) The director of public health or the director's
1 30 designee.
1 31 (3) The director of human services or the director's
1 32 designee.
1 33 (4) A representative of the independent insurance agents
1 34 of Iowa.
1 35 (5) A representative of the national federation of
2 1 independent business.
2 2 (6) A representative of the federation of Iowa insurers.
2 3 (7) A representative of the health insurer with the
2 4 largest enrollment of covered lives in the state.
2 5 (8) A representative of the Iowa collaborative safety net
2 6 providers network.
2 7 (9) A representative of the university of Iowa hospitals
2 8 and clinics.
2 9 (10) A representative of Broadlawns medical center.
2 10 (11) A representative of the Iowa hospital association.
2 11 (12) A representative of the Iowa medical society.
2 12 (13) A representative of the Iowa chiropractic society.
2 13 (14) A representative of the Iowa osteopathic medical
2 14 association.
2 15 (15) A representative of the Iowa dental association.
2 16 (16) A representative of the Iowa nurses association.
2 17 (17) A representative of the service employees

2 18 international union.
2 19 (18) A representative of the Iowa public health
2 20 association.
2 21 2. The chairpersons of the commission shall be those
2 22 members of the general assembly so appointed by the majority
2 23 leader of the senate and the speaker of the house of
2 24 representatives. Legislative members of the commission are
2 25 eligible for per diem and reimbursement of actual expenses as
2 26 provided in section 2.10. Other members of the commission
2 27 shall be reimbursed for their travel and other necessary
2 28 expenses incurred in performing their official duties. Travel
2 29 expenses are reimbursable at the rate specified in section
2 30 8A.363.
2 31 3. The commission shall review and analyze possible
2 32 reforms to make health insurance more affordable for small
2 33 businesses and families in this state including but not
2 34 limited to:
2 35 a. Reducing health insurance premium costs by reducing
3 1 administrative costs for submitting and processing claims and
3 2 by recomputing actuarial tables.
3 3 b. Establishing an Iowa small business insurance authority
3 4 in the insurance division of the department of commerce for
3 5 the purpose of assisting small businesses and families in
3 6 obtaining affordable health insurance coverage.
3 7 c. Establishing an office of insurance consumer advocate
3 8 as a division of the department of justice for the purpose of
3 9 investigating the legality of all rates, charges, rules,
3 10 regulations, and practices of all persons under the
3 11 jurisdiction of the commissioner of insurance; collecting
3 12 comparative cost information concerning the provision of
3 13 health care services and available health insurance in the
3 14 state and disseminating such information to the public; and
3 15 representing all consumers generally in all proceedings before
3 16 the commissioner of insurance or by independently instituting
3 17 civil proceedings on behalf of consumers.
3 18 d. Allowing the issuance of association group health care
3 19 plans that provide group health insurance coverage to
3 20 employees of members of a bona fide association and to the
3 21 spouses and dependents of such employees.
3 22 e. Requiring health insurance plans to provide coverage
3 23 and incentives for participation in wellness programs and
3 24 chronic disease management programs.
3 25 f. Requiring health insurance plans to offer coverage to a
3 26 member's children up to the age of 25 years or when the child
3 27 marries, whichever comes first.
3 28 g. Requiring all residents of the state to have health
3 29 insurance coverage and subsidizing participation in government
3 30 health insurance programs or private health insurance plans
3 31 for low-income Iowans.
3 32 h. Requiring all employers to provide, at a minimum, a
3 33 basic health benefit plan for all employees.
3 34 i. Establishing a statewide prescription drug program for
3 35 seniors to address problems with Medicare Part D.
4 1 j. Enhancing efforts to promote public health initiatives,
4 2 including but not limited to tobacco use cessation, nutrition
4 3 education, physical fitness, and general health education for
4 4 disease prevention and identification.
4 5 k. Reducing health insurance premium costs by encouraging
4 6 the use of health savings accounts as defined in section
4 7 223(d) of the Internal Revenue Code.
4 8 4. The commission shall utilize the expertise of the
4 9 health care data research advisory council in carrying out the
4 10 commission's duties.
4 11 5. The commission may hold public hearings to allow
4 12 persons and organizations to be heard and to gather
4 13 information.
4 14 6. The commission may request from any state agency or
4 15 official information and assistance as needed to perform the
4 16 review and analysis required in subsection 3. A state agency
4 17 or official shall furnish the information or assistance
4 18 requested within the authority and resources of the state
4 19 agency or official. This subsection does not allow the
4 20 examination or copying of any public record required by law to
4 21 be kept confidential.
4 22 7. The commission may employ staff and consultants as
4 23 necessary to assist the commission in carrying out its duties
4 24 as set forth in this division.
4 25 8. The commission shall submit a final report to the
4 26 general assembly no later than December 1, 2007, summarizing
4 27 the commission's activities, analyzing issues studied, making
4 28 recommendations for legislative reforms that will make health

4 29 insurance coverage more affordable for small businesses and
4 30 families in this state, and including any other information
4 31 that the commission deems relevant and necessary.
4 32 Sec. 2. HEALTH CARE DATA RESEARCH ADVISORY COUNCIL.
4 33 1. A health care data research advisory council is created
4 34 for the purpose of assisting the commission on affordable
4 35 health care plans for small businesses and families in
5 1 carrying out the commission's duties by conducting research,
5 2 providing research data and analysis, and performing other
5 3 functions within the expertise of the members of the council
5 4 at the direction of the commission.
5 5 2. The commission shall include the following members:
5 6 a. A representative of the university of Iowa college of
5 7 medicine.
5 8 b. A representative of the university of Iowa college of
5 9 dentistry.
5 10 c. A representative of the university of Iowa college of
5 11 pharmacy.
5 12 d. A representative of the university of Iowa college of
5 13 nursing.
5 14 e. A representative of the university of Iowa college of
5 15 public health.
5 16 f. A representative of Des Moines university ==
5 17 osteopathic medical center.
5 18 g. A representative of the Drake university college of
5 19 pharmacy.
5 20 h. A representative of the Mercy college of health
5 21 sciences.
5 22 3. The members of the council shall be reimbursed for
5 23 their expenses incurred in carrying out the functions of the
5 24 council and their travel and other necessary expenses incurred
5 25 in performing their official duties. Travel expenses are
5 26 reimbursable at the rate specified in section 8A.363.

5 27 Sec. 3. INTERIM COMMISSION ON AFFORDABLE HEALTH CARE PLANS
5 28 FOR SMALL BUSINESSES AND FAMILIES APPROPRIATION. There is
5 29 appropriated from the health care trust fund created in
5 30 section 453A.35A or similar fund, if enacted by the
5 31 Eighty-second General Assembly, 2007 Session, to the interim
5 32 commission on affordable health care plans for small
5 33 businesses and families for the fiscal year beginning July 1,
5 34 2007, and ending June 30, 2008, the following amount, or so
5 35 much thereof as is necessary, for the purpose designated:
6 1 For carrying out the duties of the commission and the
6 2 health care data research advisory council as set forth in
6 3 this division:
6 4 \$ 500,000

6 5 EXPLANATION

6 6 This bill creates an interim commission on affordable
6 7 health care plans for small businesses and families to review
6 8 and analyze possible health insurance reforms to make health
6 9 care coverage more affordable for small businesses and
6 10 families in this state.
6 11 The commission consists of 16 members including 10 members
6 12 of the general assembly with three appointed by the majority
6 13 leader of the senate, two appointed by the minority leader of
6 14 the senate, three appointed by the speaker of the house of
6 15 representatives, and two appointed by the minority leader of
6 16 the house of representatives. The commission includes two
6 17 members representing the interests of consumers of health care
6 18 services appointed by the governor. The commission also
6 19 includes four additional members with two representing the
6 20 insurance industry, with one appointed by the majority leader
6 21 of the senate and the speaker of the house of representatives,
6 22 and two representing small business associations, appointed in
6 23 the same manner.
6 24 The commission also includes the following nonvoting, ex
6 25 officio members: the commissioner of insurance or the
6 26 commissioner's designee, the director of public health or the
6 27 director's designee, the director of human services or the
6 28 director's designee, a representative of the independent
6 29 insurance agents of Iowa, a representative of the national
6 30 federation of independent business, a representative of the
6 31 federation of Iowa insurers, a representative of the health
6 32 insurer with the largest enrollment of covered lives in the
6 33 state, a representative of the Iowa collaborative safety net
6 34 providers network, a representative of the university of Iowa
6 35 hospitals and clinics, a representative of Broadlawn medical
7 1 center, a representative of the Iowa hospital association, a
7 2 representative of the Iowa medical society, a representative
7 3 of the Iowa chiropractic society, a representative of the Iowa
7 4 osteopathic medical association, a representative of the Iowa

7 5 dental association, a representative of the Iowa nurses
7 6 association, a representative of the service employees
7 7 international union, and a representative of the Iowa public
7 8 health association.

7 9 Legislative members of the commission are eligible for per
7 10 diem and reimbursement of actual expenses as provided in Code
7 11 section 2.10. Other members of the commission are eligible
7 12 for reimbursement for their travel and other necessary
7 13 expenses incurred in performing their official duties.

7 14 The commission is required to review and analyze possible
7 15 reforms to make health insurance more affordable for small
7 16 businesses and families including but not limited to reducing
7 17 health insurance premium costs by reducing administrative
7 18 costs for submitting and processing claims and by recomputing
7 19 actuarial tables; establishing an Iowa small business
7 20 insurance authority; establishing an office of insurance
7 21 consumer advocate to assist and represent consumers; allowing
7 22 the issuance of association group health care plans that
7 23 provide health insurance plans to members of bona fide
7 24 associations; requiring health insurance plans to provide
7 25 coverage and incentives for participation in wellness and
7 26 chronic disease management programs; requiring health
7 27 insurance plans to offer coverage to the children of a member
7 28 up to the age of 25 or when the child marries, whichever
7 29 occurs first; requiring all residents of the state to have
7 30 health insurance coverage and subsidizing participation in
7 31 government health insurance programs or private health
7 32 insurance plans for low-income Iowans; requiring all employers
7 33 to provide, at a minimum, a basic health benefit plan for all
7 34 employees; establishing a statewide prescription drug program
7 35 for seniors to address problems with Medicare Part D;
8 1 enhancing efforts to promote public health initiatives such as
8 2 tobacco use cessation, nutrition education, physical fitness,
8 3 and general health education for disease prevention and
8 4 identification; and reducing health insurance premium costs by
8 5 encouraging the use of health savings accounts, as defined in
8 6 section 223(d) of the Internal Revenue Code.

8 7 The commission is authorized to hold public hearings and
8 8 request information from state agencies and officers and to
8 9 employ staff and consultants as necessary to assist it in
8 10 performing its charge.

8 11 The commission is required to submit a final report to the
8 12 general assembly no later than December 1, 2007, summarizing
8 13 the commission's activities, analyzing the issues studied,
8 14 making recommendations for legislative reforms that will make
8 15 health insurance more affordable for small businesses and
8 16 families, and including any other information that the
8 17 commission deems relevant and necessary.

8 18 The bill creates a health care data research advisory
8 19 council for the purpose of assisting the commission in
8 20 carrying out the commission's duties by conducting research,
8 21 providing research data and analysis, and performing other
8 22 functions within the expertise of members of the council at
8 23 the direction of the commission.

8 24 The bill specifies that the health care data research
8 25 advisory council shall include the following members: a
8 26 representative of the university of Iowa college of medicine,
8 27 a representative of the university of Iowa college of
8 28 dentistry, a representative of the university of Iowa college
8 29 of pharmacy, a representative of the university of Iowa
8 30 college of nursing, a representative of the university of Iowa
8 31 college of public health, a representative of Des Moines
8 32 university == osteopathic medical center, a representative of
8 33 Drake university college of pharmacy, and a representative of
8 34 Mercy college of health sciences.

8 35 The bill provides that members of the council shall be
9 1 reimbursed for their expenses incurred in carrying out the
9 2 duties of the council and their travel and other necessary
9 3 expenses incurred in performing their official duties.

9 4 The bill appropriates \$500,000 to the commission for the
9 5 2007=2008 fiscal year to carry out its duties and the duties
9 6 of the health care data research advisory council as set forth
9 7 in the bill.

9 8 LSB 2475SC 82
9 9 av:rj/gg/14